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Before the
Federal Communications Commission
Washington, D.C. 20554

JAN 27 1993

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

ORIGINAL

In the Matter of)

Administration of the)
North American Numbering Plan)

Notice of Inquiry)

CC Docket No. 92-237

Phase II

**REPLY COMMENTS OF
MCI TELECOMMUNICATIONS CORPORATION**

MCI Telecommunications Corporation (MCI) hereby replies to comments filed in "Phase II" of the Federal Communications Commission's (Commission's) request for comments in the docket captioned above.¹ In Phase II, the Commission asks various questions regarding the expansion of Carrier Identification Codes (CICs) (7 FCC Rcd at 6841, ¶¶ 36-38), which are unique routing codes that identify the destination carrier. As mentioned in the Notice, the current plan advanced by the industry calls for expanding the current three-digit (10XXX) CIC numbering resource pool to a four-digit (101XXXX) numbering resource pool for both Feature Group B and Feature Group D signalling.²

The Commission's questions relate to: (1) alternative technical approaches to expansion; (2) the costs of implementing

¹ Administration of the North American Numbering Plan, Notice of Inquiry, CC Docket No. 92-237, 7 FCC Rcd 6837 (Oct. 29, 1992) (Notice).

² Thus, after expansion, a caller using a carrier with a four-digit CIC would dial 101XXXX + 0/1 + called number (NPA + 7, or 7 digits only, depending on the local dialing plan).

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CIC expansion; (3) a comparison of benefits to costs for CIC expansion; and (4) rules for assignment, recall and transfer of CICs. These issues and others relating to CIC expansion have already been discussed at length in the industry fora.

As MCI stated in its comments, it is not necessary for the Commission to reconsider CIC expansion because the industry has already reached a decision on a plan for such expansion.³ As a practical matter, there are few alternatives to expanding the CIC format because the universe of available CICs is reaching exhaustion.⁴

Some parties ask the Commission to examine other options to avert CIC exhaustion.⁵ Other alternatives have been discussed in industry fora and have been rejected for various technical and economic reasons.⁶ Notably, CIC sectorization -- which would

³ Comments of MCI Telecommunications Corp., CC Docket No. 92-237, at pp. 32-33, filed Dec. 28, 1992. Consensus on a plan for four-digit CIC for the FGD pool was achieved at ICCF Meeting No. 15, October 1988.

⁴ See Comments of Ameritech Operating Companies, Phase II at 5; BellSouth Corporation at 20; Bell Communications Research, Inc. (Bellcore) as Administrator of the North American Numbering Plan at 9; Pacific Telesis Group (PacTel) at 8; Southwestern Bell Corp. (SWB) at 10; Sprint Corp. at 11-12; and United States Telephone Assn (USTA) at 12; filed Dec. 28, 1992.

⁵ See Comments of Ad Hoc Telecommunications Users Committee (Ad Hoc) at 34-35; American Public Communications Council (APCC) at 6-7; Canadian Steering Committee on Numbering at 2, North American Telecommunications Assn (NATA) at 5, and Unitel Communications, Inc. at 5, filed Dec. 28, 1992.

⁶ See Comments of AT&T at 8 n. 15; Bell Atlantic at 3; BellSouth at 19-21; NYNEX Telephone Companies, Phase II at 5; Southern New England Telecommunications Corp. (SNET) at 6; and USTA at 12; filed Dec. 28, 1992.

have divided certain CICs for concurrent regional assignment in the seven regions served by the RBOCs⁷ -- was strongly opposed by several carriers, who viewed it not only as infeasible but also as discriminatory. Even though several alternatives have been discussed,⁸ including some suggested by MCI,⁹ none was found to be implementable.

The industry has devised the only near-term, workable solution to CIC exhaustion.¹⁰ First, dividing the CICs between Feature Group B and Feature Group D purposes doubles the CIC resource. Second, expanding the CIC format to four digits for FGB and FGD uses will increase available codes to an eventual 9000 assignable codes in the FGB resource pool and an eventual 10000 assignable codes in the FGD resource pool. Thus, MCI urges the Commission to allow implementation of the two-part, four-digit CIC expansion plan adopted by the industry in forum discussions.

⁷ See Comments of BellSouth at 20; SWB at 10 n.13; and SNET at 6.

⁸ The ICCF CIC technical subcommittee has discussed: a technical routing alternative to using CICs which would involve using OZZ codes; as well as services identification alternatives using ANI II digits or Service Identifier Codes.

⁹ MCI suggested use of ANI II digits and has made repeated requests to the RBOCs and Bellcore to develop new traffic routing and service identification capabilities which would provide alternatives to CICs, thus reducing demand on the resource.

¹⁰ It is worth noting that Bellcore proposed the specifications which resulted in the costly expansion solution that the RBOCs, Bellcore's owners, now seek to avoid.

MCI is compelled to reinforce the fact that the industry has not reached consensus on the length of time of a permissive dialing period, during which both the three-digit and the four-digit CICs would be processed by the LECs' networks.¹¹ Although, an 18-month period has been discussed, no industry consensus has yet been achieved.

Bellcore continues to mischaracterize industry consensus in the matter of CIC permissive dialing. In its initial comments in this docket, Bellcore states that "[m]ost of the industry favored such a transition, after which all calls dialed using a carrier access code would utilize 101XXXX dialing, but some carriers with today's three-digit CICs argued that assignees of these CICs should be permitted to retain the 10XXX dialing arrangement indefinitely, or through a very long (10-year) 'transition' period."¹² Bellcore's claim that most of the industry favored an 18-month transition plan is false. The facts of the industry record clearly demonstrate that only the LECs supported an abbreviated transition period (18 months), while the major interexchange carriers explicitly supported a longer "flexible" permissive dialing period.¹³ MCI is unaware of any non-LEC

¹¹ See Comments of American Telephone & Telegraph Co. (AT&T) at 9 n. 17; and Ameritech, Phase II at 3-4; filed Dec. 28, 1992.

¹² Comments of Bellcore at 4 n. 4.

¹³ The industry record includes:

1. Letter from Interexchange Carriers Industry Committee (ICIC) to Bellcore's District Manager, dated June 2, 1989 (explicitly opposing a one-year permissive period and supporting a non-fixed permissive period).

support for an 18-month, or any other fixed-time-limited, permissive dialing period. Therefore, it is incomprehensible that Bellcore would make a claim to this Commission that "most of the industry favored" an 18-month transition plan. Once again Bellcore has adopted its owners' position and ignored the needs and concerns of other industry segments.

MCI is not aware of any technical reason why the permissive dialing period should not be extended until such time as a technical limitation dictates otherwise. Clearly, the fact that there is a permissive dialing period of itself proves that there is no technical impediment. Moreover, the current scheme allows the permissive period to be extended substantially beyond 18 months. The industry's planned transition of opening only the 5000 and 6000 series of four-digit CICs facilitates the simultaneous use of three- and four-digit CICs during the permissive period. Thus, in the four-digit format, a caller dialing 101-5XXX or 101-6XXX would not generate confusion in LEC

2. Letter from ICIC to Bellcore's District Manager, date July 11, 1989 (correcting Bellcore's ICCF account of number of IXCs opposing one-year permissive dialing period).

3. ICCF, Meeting Record No. 17, dated July 1989 (summarizing positions and demonstrating Bellcore's mischaracterization of opposition to the fixed permissive dialing period).

4. Bellcore Information Letter, IL 92/12-010, dated June 11, 1992 (containing the CIC Administrative Guidelines, and further documenting the lack of industry consensus on the permissive dialing issues). In IL 92/12-010, Bellcore stated, "(Note: Industry consensus has not been reached on the length of the permissive period. The FCC was notified of the lack of consensus in a letter from the NANP Administrator to Richard M. Firestone, Chief of the Common Carrier Bureau, dated October 13, 1989)."

networks since the 15X and 16X three-digit codes are not currently assigned to any entity. At the current rate of CIC assignments (14 per month),¹⁴ the 5000 and 6000 series would not exhaust for 12 years. Therefore, MCI urges the Commission to reject Bellcore's 18-month permissive dialing proposal.

MCI acknowledges that expansion of the CIC to four digits will result in costs for certain carriers¹⁵ and equipment manufacturers¹⁶ since the network switches and other equipment currently employed to route calls will need to be modified to accommodate routing of the four-digit codes. This argument, however, comes too late in the game. The funds for expansion of the CICs have already been committed by some LECs.¹⁷ If not, then these costs should already have been budgeted in the LECs' and equipment providers' business plans because four-digit CIC implementation is slated to commence by the end of the first quarter of 1993 for Feature Group B, and by the end of the first half of 1995 for Feature Group D. The target date for CIC expansion was originally planned for 1992; thus, the industry has already taken extraordinary steps to prolong the life of the resource, thereby accommodating the needs of these LECs and

¹⁴ See Comments of AT&T at 8-9.

¹⁵ Comments of BellSouth at 17-18; National Telephone Cooperative Association at 2; NYNEX, Phase II at 4; PacTel at 9; SNET at 5; and USTA at 10-11; filed Dec. 28, 1992.

¹⁶ Comments of APCC at 4-5, and NATA at 4-5.

¹⁷ See Comments of Ameritech, Phase II at 2-3; Bell Atlantic at 4; NYNEX, Phase II at 3; and PacTel at 9.

equipment manufacturers to postpone implementation of the CIC expansion for as long as possible.

Moreover, the LECs and equipment manufacturers are not the only parties that will face expenses related to CIC expansion. All carriers and others will have costs associated with four-digit CIC implementation.¹⁸ In any event, the industry's needs clearly outweigh the costs of code expansion.¹⁹ As NYNEX states, without CIC expansion, new carriers will be denied entry and new products and services may be delayed.²⁰

Pacific Telesis essentially asks the Commission to treat the costs of number expansion as endogenous costs for purposes of determining rates under price caps.²¹ The Commission has already determined that carriers filing for recovery under price caps should treat these costs as exogenous costs.²² Therefore, PacTel's request should be summarily denied as an untimely petition for reconsideration. See 47 C.F.R. § 1.106(f). As MCI has previously noted, code expansion is a usual, ongoing part of the LECs' business activities, and therefore is not eligible for

¹⁸ Comments of Ad Hoc at 35; AT&T at 8; and Intellicall, Inc. at 4-6, filed Dec. 28, 1992.

¹⁹ See also Comments of BellSouth at 19, and US West, filed Dec. 28, 1992.

²⁰ Comments of NYNEX at 5.

²¹ Comments of PacTel at 10.

²² Policy and Rules Concerning Rates for Dominant Carriers, Order on Reconsideration, 6 FCC Rcd 2637, 2666-68 (1991).

exogenous cost treatment.²³ Ameritech notes that "the same enhanced infrastructure which is necessary for CIC expansion is being used to support many other service capabilities and improvements for customers."²⁴ To treat such ordinary expansion costs as exogenous would subvert the Commission's price cap goal of providing incentives to carriers to become more productive and efficient.

Several commenters argue that CICs already assigned to carriers should be recalled for reassignment if they are misused or unused.²⁵ Others claim that the FCC should develop guidelines for recall and transfer of CICs.²⁶ GTE states that CICs obtained through mergers or acquisitions should be included in the total number of allowable CICs assigned to an entity.²⁷

The industry has developed adequate guidelines for assignment, recall, and transfer of CICs, and there is no reason for the Commission to redesign those guidelines now.²⁸ Those LECs arguing for mandatory recall essentially are asking the

²³ MCI Communications Corp., Reply Comments at 9, filed Jan. 17, 1992.

²⁴ Comments of Ameritech, Phase II at 2-3.

²⁵ Comments of Ad Hoc at 36, Centel Corp. at 4, Intellicall at 3-4, NATA at 5, and No. Pittsburgh Telephone Co. at 4, filed Dec. 28, 1992.

²⁶ Comments of Ameritech at 7, and BellSouth at 21-22.

²⁷ Comments of GTE Service Corporation at 22-23, filed Dec. 28, 1992.

²⁸ ICCF, "Carrier Identification Code (CIC) Administrative Guidelines," ICCF #92-0726-002, dated June 11, 1992.

Commission to overturn the industry's guidelines under which return of unused CICs is strictly voluntary. Such a course would be inconsistent with the Commission's previous decision favoring expansion over rationing of numbering resources.²⁹

Carriers need these codes to identify specific services and for other technical and service purposes. A decision to compel carriers to return their existing codes would adversely affect both the carriers and their customers. Therefore, it is neither necessary nor equitable for the Commission to force carriers to return existing codes that they are using properly and in compliance with industry guidelines.

For the record, the LECs are overstating the potential impact of any recall of CICs acquired in corporate mergers. There are only 40 to 50 such codes in use in the entire industry. Were those CICs to be recalled, those codes would be reassigned within three or four months at the current rate of CIC assignment. Thus, any minimal delay the LECs might gain by recalling these CICs would be far outweighed by the customer confusion and inconvenience caused by reassignment. Moreover, carriers that have received CICs in the course of acquiring other carriers cannot release these CICs until the LECs can offer alternate routing and network identification capabilities. The Commission should allow the industry's guidelines to continue

²⁹ Notice of Inquiry, 7 FCC Rcd at 6841 ¶ 38. See Petition of First Data Resource, Inc. Regarding the Availability of Feature Group B Access Service to End Users, Memorandum Opinion and Order, [unpub.], FCC No. 4732, released May 28, 1986.

functioning as they are today.

Conclusion

Accordingly, MCI requests the Commission to allow the CIC expansion plan to take effect on the schedule developed by the industry. MCI opposes the suggestion by Bellcore that the Commission approve Bellcore's proposal to implement an 18-month permissive dialing period.

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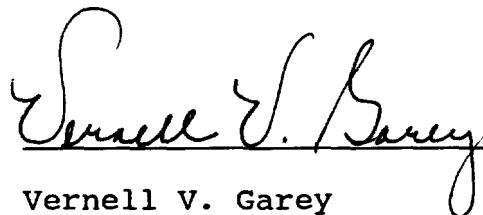
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Filed: January 27, 1992

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